House Engrossed Senate Bill FILED

MICHELE REAGAN

SECRETARY OF STATE

State of Arizona Senate Fifty-third Legislature First Regular Session 2017

SENATE BILL 1216

AN ACT

AMENDING SECTION 41-1830.51, ARIZONA REVISED STATUTES; RELATING TO TOWING FIRMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 41-1830.51, Arizona Revised Statutes, is amended to read:

41-1830.51. <u>Vehicle towing: rules: contractual agreement for towing services: weight exemption: definition</u>

- A. If a vehicle is towing another vehicle, the drawbar or other connection shall be of sufficient strength to pull all weight towed by the vehicle and the drawbar or other connection shall not exceed fifteen feet from one vehicle to the other, except the connection between any two vehicles transporting poles, pipe, machinery or other objects of a structural nature that cannot readily be dismembered. For the purposes of this subsection, "drawbar" means a rigid structure that connects a trailer and a towing vehicle and that articulates at the point of connection with the trailer and articulates at the point of connection with the towing vehicle.
- B. If a vehicle is towing another vehicle and the connection consists of a chain, rope or cable, a white flag or cloth at least twelve inches square shall be displayed on the connection.
 - C. The director shall:
- 1. Adopt and enforce rules that are not inconsistent with this article to govern the design and operation of all tow trucks.
- 2. Adopt guidelines to protect consumers against being overcharged for towing services. The guidelines shall specify that a larger class of tow vehicle used for lighter tows must be billed at the lighter duty towing service rates.
- D. A person may not operate a tow truck for the purpose of towing vehicles without first registering with the director, and obtaining a permit pursuant to the rules that govern tow trucks and that are adopted by the department.
- E. The director or a county, city or town may enter into a contractual agreement with a towing firm or firms for towing or storage services, or both. At the time of application for a contractual agreement, a towing firm must disclose in writing the owners of the towing firm and, if the owners own other towing firms that are also applying for the same contractual agreement, the names of those towing firms. The contractual agreement shall comply with this section and all rules adopted under this section. Contracts shall be awarded on the basis of competitive bidding. The director or a county, city or town shall reserve the right to reject all bids. If only one bid is received, the director or a county, city or town may reject the bid and negotiate a contract without bidding if the negotiated contract is at a price lower than the bid price under the terms and conditions specified in the call for bids.
- F. Except as provided in subsection G of this section, a towing firm may only have one contractual agreement per geographic towing area with the department or a county, city or town for towing or storage

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services, or both. If an owner of a towing firm has a common ownership interest in another towing firm or the assets, OR SHARED USE OF THE ASSETS, of another towing firm, the owner may not participate in any other application for a contractual agreement within the same geographic towing area FOR THAT APPLICATION. THE DEPARTMENT OR A COUNTY, CITY OR TOWN MUST DETERMINE THAT EACH TOWING FIRM IS IN COMPLIANCE WITH THIS SUBSECTION. THE DIRECTOR OR A COUNTY, CITY OR TOWN MUST REVIEW ANY COMPLAINTS THAT ARE SUBMITTED WITH SUPPORTING DOCUMENTATION AND THAT ALLEGE A VIOLATION OF THIS SUBSECTION.

- G. If a towing firm that has a contractual agreement pursuant to this section acquires another towing firm that has a contractual agreement pursuant to this section, both contractual agreements remain valid for one year after the date of the acquisition or until the end of the contractual agreement, whichever is shorter.
- H. Notwithstanding subsection F of this section, an agency may allow a towing firm to use resources from another towing firm if an agency deems the use of those resources is necessary for traffic incident management.
- I. The total weight of a tow truck and the towed vehicle is exempt from the maximum total gross weight load allowed under section 28-1100 if a damaged, disabled or abandoned vehicle or vehicle combination is towed.
- J. FOR THE PURPOSES OF THIS SECTION, "ASSET" MEANS ANY PROPERTY THAT HAS A VALUE, INCLUDING FINANCIAL, INTANGIBLE AND PHYSICAL ASSETS, AND INCLUDES:
 - 1. VEHICLES.
 - 2. EQUIPMENT.
 - 3. STOCK.
 - 4. A MEMBERSHIP IN A LIMITED LIABILITY COMPANY.
 - 5. A PARTNERSHIP INTEREST.
 - 6. A BENEFICIAL INTEREST IN A TRUST OR ANOTHER LIKE ITEM.
- K. IF TOWING COMPANIES SHARE ANY EMPLOYEES OR STAFF, THE COMPANIES SHALL BE CONSIDERED AS ONE COMPANY FOR THE PURPOSES OF THE ROTATION LIST IN THAT GEOGRAPHICALLY CONTRACTED TOWING AREA.

APPROVED BY THE GOVERNOR APRIL 21, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 21, 2017.

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Passed the House	Passed the Senate February 20, 2017,
by the following vote: Ayes,	by the following vote: 29 Ayes,
Nays, Not Voting Speaker of the House Chief Clerk of the House	Nays, Not Voting President of the Senate Secretary of the Senate
OFFICE OI	RTMENT OF ARIZONA F GOVERNOR d by the Governor this
day of	, 20,o'clockM.
	Secretary to the Governor
Approved this day of	
, 20,	
ato'clock M.	
Governor of Arizona	EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF SECRETARY OF STATE
	This Bill was received by the Secretary of State
	this, 20,
S.B. 1216	
	at o'clock M.

Secretary of State

SENATE CONCURS IN HOUSE AMENDMENTS AND FINAL PASSAGE

Passed the Senate Oprif 18, 20 17
by the following vote:Ayes,
Nays,Not Voting
X Hun D lashing
President of the Senate
Secretary of the Senate
EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF GOVERNOR
This Bill received by the Governor this
18 day of April , 20 17
t 2.19 o'clock M.
Secretary to the Governor
day of
il. 2017
35 o'clock A · M.
e, Juney
overnor of Arizona EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE
This Bill received by the Secretary of State
this 21 day of April , 20 17
at 2:46 o'clock M.
Michele Reagan
Secretary of State

Governor of Arizona

Approved this

S.B. 1216